

House Amendment 1045

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1 1 Amend House File 312 as follows:
1 2 #1. Page 7, by inserting after line 13 the
1 3 following:
1 4 <Sec. _____. NEW SECTION. 68A.801 CITATION AND
1 5 PURPOSE.
1 6 This subchapter may be known and cited as the "Iowa
1 7 Clean Election Act". This subchapter establishes an
1 8 alternative campaign financing option available to
1 9 candidates running for statewide office or the general
1 10 assembly. This alternative campaign financing option
1 11 is available to candidates for elections to be held
1 12 beginning in the year 2006. The Iowa ethics and
1 13 campaign disclosure board shall administer this Act
1 14 and the fund. Candidates participating in the Iowa
1 15 clean election Act must also comply with all other
1 16 applicable election and campaign laws and rules.
1 17 Sec. _____. NEW SECTION. 68A.802 DEFINITIONS.
1 18 As used in this subchapter, unless the context
1 19 otherwise indicates, the following terms have the
1 20 following meanings:
1 21 1. "Certified candidate" means a candidate running
1 22 for statewide office or the general assembly who
1 23 chooses to participate in the Iowa clean election Act
1 24 and who is certified as an Iowa clean election Act
1 25 candidate.
1 26 2. "Contribution" means the same as in section
1 27 68B.102.
1 28 3. "Fund" means the Iowa clean election fund
1 29 established in section 68A.803.
1 30 4. "Nonparticipating candidate" means a candidate
1 31 running for statewide office or the general assembly
1 32 who does not choose to participate in the Iowa clean
1 33 election Act or who is not seeking to be certified as
1 34 an Iowa clean election Act candidate.
1 35 5. "Participating candidate" means a candidate who
1 36 is running for statewide office or the general
1 37 assembly who is seeking to be certified as an Iowa
1 38 clean election Act candidate.
1 39 6. "Qualifying contribution" means a donation
1 40 meeting all of the following requirements:
1 41 a. Made in the amount of five dollars in the form
1 42 of a check, money order, credit card, or debit card
1 43 payable to the fund in support of a specific
1 44 candidate.
1 45 b. Made by a registered voter within the
1 46 jurisdiction for the office a candidate is seeking.
1 47 c. Made during the designated qualifying period
1 48 with the knowledge and approval of the candidate.
1 49 d. That is acknowledged by a written receipt that
1 50 identifies the name and address of the donor on forms
2 1 provided by the board.
2 2 7. "Qualifying period" means the following:
2 3 a. For a participating candidate seeking statewide
2 4 office, the qualifying period begins November 1
2 5 immediately preceding an election year and ends at
2 6 five p.m. on April 15 of the election year, unless the
2 7 candidate is not a candidate of a political party, as
2 8 that term is defined in section 43.2, in which case
2 9 the period ends at five p.m. on June 2 of the election
2 10 year.
2 11 b. For a participating candidate seeking election
2 12 to the general assembly, the qualifying period begins
2 13 January 1 of the election year and ends at five p.m.
2 14 on April 15 of that election year, unless the
2 15 candidate is not a candidate of a political party, as
2 16 that term is defined in section 43.2, in which case
2 17 the period ends at five p.m. on June 2 of that
2 18 election year.
2 19 8. "Seed money contribution" means a contribution
2 20 of no more than one hundred dollars per individual
2 21 made to a candidate, including a contribution from the
2 22 candidate or the candidate's family. To be eligible
2 23 for certification, a candidate may collect and spend
2 24 only seed money contributions subsequent to becoming a

2 25 candidate and throughout the qualifying period. A
2 26 candidate shall not collect or spend seed money
2 27 contributions after certification as an Iowa clean
2 28 election Act candidate. A seed money contribution
2 29 must be reported according to rules adopted by the
2 30 board.

2 31 Sec. ____ NEW SECTION. 68A.803 IOWA CLEAN
2 32 ELECTION FUND ESTABLISHED == SOURCES OF FUNDING.
2 33 1. FUND ESTABLISHED. An Iowa clean election fund
2 34 is established in the office of the state treasurer
2 35 under the control of the board for the purposes of
2 36 financing the election campaigns of certified Iowa
2 37 clean election Act candidates running for statewide
2 38 office or the general assembly and paying the
2 39 administrative and enforcement costs of the board
2 40 related to this subchapter. Notwithstanding section
2 41 8.33, moneys appropriated to the fund and moneys
2 42 remaining in the fund at the end of a fiscal year
2 43 shall not revert to the general fund of the state.

2 44 2. SOURCES OF FUNDING. All of the following must
2 45 be deposited in the fund:

2 46 a. The qualifying contributions when those
2 47 contributions are submitted to the board.
2 48 b. Any moneys appropriated to the fund by the
2 49 general assembly. If the board determines that the
2 50 fund will not have sufficient revenues to cover the
3 1 likely demand for moneys from the fund in an upcoming
3 2 calendar year, the board shall report by January 1 its
3 3 projections of the balances in the fund to the general
3 4 assembly and the governor.

3 5 c. Revenues from the Iowa clean election fund tax
3 6 checkoff provided for in section 422.12G.

3 7 d. Seed money contributions remaining unspent
3 8 after a candidate has been certified as an Iowa clean
3 9 election Act candidate.

3 10 e. Fund moneys that were distributed to an Iowa
3 11 clean election Act candidate and that remain unspent
3 12 after the candidate has lost a primary election or
3 13 after the general election.

3 14 f. Other unspent fund moneys distributed to any
3 15 Iowa clean election Act candidate who does not remain
3 16 a candidate throughout a primary or general election
3 17 cycle.

3 18 g. Voluntary donations made directly to the fund.

3 19 h. Civil penalties collected under section
3 20 68B.32D, section 1, paragraph "h", or section 68A.806.

3 21 3. DETERMINATION OF FUND AMOUNT. By September 1
3 22 preceding each election year, the board shall publish
3 23 an estimate of moneys in the fund available for
3 24 distribution to certified candidates during the
3 25 upcoming year's elections and an estimate of the
3 26 likely demand for fund moneys during that election.
3 27 The board may submit proposed legislation to request
3 28 additional funding.

3 29 Sec. ____ NEW SECTION. 68A.804 TERMS OF
3 30 PARTICIPATION.

3 31 1. DECLARATION OF INTENT. A participating
3 32 candidate must file a declaration of intent to seek
3 33 certification as an Iowa clean election Act candidate
3 34 and to comply with the requirements of this
3 35 subchapter. The declaration of intent must be filed
3 36 with the board prior to or during the qualifying
3 37 period, except as provided in subsection 10, according
3 38 to forms and procedures developed by the board. A
3 39 participating candidate must submit a declaration of
3 40 intent prior to collecting qualifying contributions
3 41 under this subchapter.

3 42 2. RESTRICTIONS ON CONTRIBUTIONS FOR PARTICIPATING
3 43 CANDIDATES. Subsequent to becoming a candidate and
3 44 prior to certification, a participating candidate
3 45 shall not accept contributions, except for seed money
3 46 contributions. A participating candidate must limit
3 47 the candidate's seed money contributions to the
3 48 following amounts:

3 49 a. One hundred thousand dollars for a candidate
3 50 for statewide office.

4 1 b. Five thousand dollars for a candidate for the
4 2 state senate.

4 3 c. Two thousand five hundred dollars for a
4 4 candidate for the state house of representatives.

4 5 3. QUALIFYING CONTRIBUTIONS. Participating

4 6 candidates must obtain qualifying contributions during
4 7 the qualifying period as follows:

4 8 a. For a candidate for statewide office, at least
4 9 two thousand five hundred registered voters of this
4 10 state must support the candidacy by making a
4 11 qualifying contribution to that candidate.

4 12 b. For a candidate for the state senate, at least
4 13 two hundred registered voters from the candidate's
4 14 district must support the candidacy by making a
4 15 qualifying contribution to that candidate.

4 16 c. For a candidate for the state house of
4 17 representatives, at least one hundred registered
4 18 voters from the candidate's district must support the
4 19 candidacy by making a qualifying contribution to that
4 20 candidate.

4 21 A payment, gift, or anything of value shall not be
4 22 given in exchange for a qualifying contribution. A
4 23 candidate may pay the fee for a money order which is a
4 24 qualifying contribution, as long as the donor making
4 25 the qualifying contribution pays the full five dollar
4 26 amount reflected on the money order. Any money order
4 27 fees paid by a participating candidate must be paid
4 28 for with seed money and reported in accordance with
4 29 board rules.

4 30 4. FILING WITH BOARD. A participating candidate
4 31 must submit qualifying contributions to the board
4 32 during the qualifying period according to procedures
4 33 developed by the board, except as provided under
4 34 subsection 10.

4 35 5. CERTIFICATION OF IOWA CLEAN ELECTION ACT
4 36 CANDIDATES. Upon receipt of a final submittal of
4 37 qualifying contributions by a participating candidate,
4 38 the board shall determine whether or not the candidate
4 39 has done all of the following:

4 40 a. Signed and filed a declaration of intent to
4 41 participate as an Iowa clean election Act candidate.

4 42 b. Submitted the appropriate number of valid
4 43 qualifying contributions.

4 44 c. Qualified as a candidate as provided by law.

4 45 d. Not accepted contributions, except for seed
4 46 money contributions, and otherwise complied with seed
4 47 money restrictions.

4 48 e. Not run for the same office as a
4 49 nonparticipating candidate in a primary election in
4 50 the same election year.

5 1 f. Otherwise met the requirements for
5 2 participation as an Iowa clean election Act candidate.

5 3 The board shall certify a candidate complying with
5 4 the requirements of this section as an Iowa clean
5 5 election Act candidate as soon as possible and no
5 6 later than three days after final submittal of
5 7 qualifying contributions. Upon certification, a
5 8 candidate must transfer to the fund any unspent seed
5 9 money contributions. A certified candidate must
5 10 comply with all requirements of this subchapter after
5 11 certification and throughout the primary and general
5 12 election periods.

5 13 6. RESTRICTIONS ON CONTRIBUTIONS AND EXPENDITURES
5 14 FOR CERTIFIED CANDIDATES. After certification, a
5 15 candidate must limit the candidate's campaign
5 16 expenditures and obligations, including outstanding
5 17 obligations, to the moneys distributed to the
5 18 candidate from the fund and shall not accept any
5 19 contributions unless specifically authorized by the
5 20 board. All revenues distributed to certified
5 21 candidates from the fund must be used for campaign=
5 22 related purposes. The board shall adopt rules
5 23 establishing permissible campaign-related
5 24 expenditures.

5 25 7. TIMING OF FUND DISTRIBUTION. The board shall
5 26 distribute to certified candidates moneys from the
5 27 fund in amounts determined under subsection 8 in the
5 28 following manner:

5 29 a. Within three days after certification, for
5 30 candidates certified prior to March 15 of the election
5 31 year, moneys from the fund must be distributed as if
5 32 the candidates are in an uncontested primary election.

5 33 b. Within three days after certification, for all
5 34 candidates certified between March 15 and April 15 of
5 35 the election year, moneys from the fund must be
5 36 distributed according to whether the candidate is in a

5 37 contested or uncontested primary election.
5 38 c. For candidates in contested primary elections
5 39 receiving a distribution under paragraph "a",
5 40 additional moneys from the fund must be distributed
5 41 within three days of March 15 of the election year.
5 42 d. Within three days after the primary election
5 43 results are certified, for general election certified
5 44 candidates, moneys from the fund must be distributed
5 45 according to whether the candidate is in a contested
5 46 or uncontested general election.
5 47 8. AMOUNT OF FUND DISTRIBUTION. At least every
5 48 four years the board shall determine the amount of
5 49 funds to be distributed, subject to available funding,
5 50 to participating candidates based on the type of
6 1 election and office as follows:
6 2 a. For contested legislative primary elections,
6 3 the amount of moneys to be distributed is the average
6 4 amount of campaign expenditures made by each candidate
6 5 during all contested primary election races for the
6 6 immediately preceding two primary elections, as
6 7 reported in the initial filing period subsequent to
6 8 the primary election, for the respective offices of
6 9 state senate and state house of representatives.
6 10 b. For uncontested legislative primary elections,
6 11 the amount of moneys distributed is the average amount
6 12 of campaign expenditures made by each candidate during
6 13 all uncontested primary election races for the
6 14 immediately preceding two primary elections, as
6 15 reported in the initial filing period subsequent to
6 16 the primary election, for the respective offices of
6 17 state senate and state house of representatives.
6 18 c. For contested legislative general elections,
6 19 the amount of moneys distributed is the average amount
6 20 of campaign expenditures made by each candidate during
6 21 all contested general election races for the
6 22 immediately preceding two general elections, as
6 23 reported in the initial filing period subsequent to
6 24 the general election, for the respective offices of
6 25 state senate and state house of representatives.
6 26 d. For uncontested legislative general elections,
6 27 the amount of moneys to be distributed from the fund
6 28 is forty percent of the amount distributed to a
6 29 participating candidate in a contested general
6 30 election.
6 31 e. For statewide primary elections, the amount of
6 32 moneys distributed is two hundred thousand dollars per
6 33 candidate in the primary election.
6 34 f. For statewide general elections, the amount of
6 35 moneys distributed is four hundred thousand dollars
6 36 per candidate in the general election.
6 37 If the immediately preceding election cycles do not
6 38 contain sufficient electoral data, the board shall use
6 39 information from the most recent applicable elections.
6 40 9. MATCHING FUNDS. When any campaign, finance, or
6 41 election report shows that the sum of a candidate's
6 42 expenditures or obligations, or funds raised or
6 43 borrowed, whichever is greater, alone or in
6 44 conjunction with independent expenditures reported
6 45 under section 68A.401, exceeds the distribution amount
6 46 under subsection 8, the board shall issue immediately
6 47 to any opposing Iowa clean election Act candidate,
6 48 subject to available funding, an additional amount
6 49 equivalent to the reported excess. Matching funds are
6 50 limited to two times the amount originally distributed
7 1 under subsection 8, paragraph "a", "c", "e", or "f",
7 2 whichever is applicable.
7 3 10. CANDIDATE WHO IS NOT A CANDIDATE OF A
7 4 POLITICAL PARTY. A candidate who is not a candidate
7 5 of a political party, who is certified by April 15
7 6 preceding the primary election, is eligible for moneys
7 7 from the fund in the same amounts and at the same time
7 8 as an uncontested primary election candidate and a
7 9 general election candidate as specified in subsections
7 10 7 and 8. For such a candidate not certified by April
7 11 15 at five p.m. the deadline for filing qualifying
7 12 contributions is June 2 at five p.m. preceding the
7 13 general election. A candidate certified after April
7 14 15 at five p.m. is eligible for revenues from the fund
7 15 in the same amounts as a general election candidate,
7 16 as specified in subsections 7 and 8.
7 17 11. OTHER PROCEDURES. The board shall establish

7 18 by rule procedures for qualification, certification,
7 19 disbursement of fund moneys and return of unspent fund
7 20 moneys for races involving special elections,
7 21 recounts, vacancies, withdrawals, or replacement
7 22 candidates.

7 23 12. REPORTING == UNSPENT MONEYS. Notwithstanding
7 24 any other provision of law, participating and
7 25 certified candidates shall report any money collected,
7 26 all campaign expenditures, obligations, and related
7 27 activities to the board according to rules adopted by
7 28 the board. Upon the filing of a final report for any
7 29 primary election in which a candidate was defeated and
7 30 for the general election the candidate shall return
7 31 all unspent fund moneys to the board. In developing
7 32 these procedures, the board shall utilize existing
7 33 campaign reporting procedures whenever practicable.
7 34 The board shall ensure timely public access to
7 35 campaign finance data.

7 36 13. DISTRIBUTIONS NOT TO EXCEED AMOUNT IN FUND.
7 37 The board shall not distribute moneys to certified
7 38 candidates in excess of the total amount of moneys
7 39 deposited in the fund. Notwithstanding any other
7 40 provisions of this subchapter, if the board determines
7 41 that the moneys in the fund are insufficient to meet
7 42 distributions under subsections 8 and 9, the board may
7 43 permit certified candidates to accept and spend
7 44 contributions, reduced by any seed money
7 45 contributions, aggregating no more than five hundred
7 46 dollars per donor per election for statewide
7 47 candidates and two hundred fifty dollars per donor per
7 48 election for state senate and state house of
7 49 representatives candidates, up to the applicable
7 50 amounts set forth in subsections 8 and 9 according to
8 1 rules adopted by the board.

8 2 14. APPEALS. A candidate who has been denied
8 3 certification as an Iowa clean election Act candidate
8 4 or the opponent of a candidate who has been granted
8 5 certification as an Iowa clean election Act candidate
8 6 may challenge a certification decision by the board as
8 7 follows:

8 8 a. A challenger may appeal to the full board
8 9 within three days of the certification decision. The
8 10 appeal must be in writing and must set forth the
8 11 reasons for the appeal.

8 12 b. Within five days after an appeal is properly
8 13 made and after notice is given to the challenger and
8 14 any opponent, the board shall hold a hearing pursuant
8 15 to chapter 17A. The board must rule on the appeal
8 16 within three days after the completion of the hearing.

8 17 c. Judicial review of the decision of the board
8 18 may be sought in accordance with chapter 17A.

8 19 d. A candidate whose certification by the board as
8 20 an Iowa clean election Act candidate is revoked on
8 21 appeal must return to the board any unspent moneys
8 22 distributed from the fund. If the board or court
8 23 finds that an appeal was made frivolously or to cause
8 24 delay or hardship, the board or court may require the
8 25 moving party to pay costs of the board, court, and
8 26 opposing parties, if any.

8 27 Sec. ____ . NEW SECTION. 68A.805 BOARD TO ADOPT
8 28 RULES.

8 29 The board shall adopt rules to ensure effective
8 30 administration of this subchapter. The rules shall
8 31 include but must not be limited to procedures for
8 32 obtaining qualifying contributions, certification as
8 33 an Iowa clean election Act candidate, circumstances
8 34 involving special elections, vacancies, recounts,
8 35 withdrawals, or replacements, collection of moneys for
8 36 the fund, distribution of fund moneys to certified
8 37 candidates, return of unspent fund disbursements,
8 38 disposition of equipment purchased with fund moneys,
8 39 and compliance with this subchapter.

8 40 Sec. ____ . NEW SECTION. 68A.806 VIOLATIONS.

8 41 1. CIVIL PENALTY. In addition to any other
8 42 penalties that may be applicable, a person who
8 43 violates any provision of this subchapter or rules of
8 44 the board is subject to a civil penalty not to exceed
8 45 ten thousand dollars per violation payable to the
8 46 fund. In addition to any penalty, for good cause
8 47 shown, a candidate found in violation of this
8 48 subchapter or rules of the board may be required to

8 49 return to the fund all moneys distributed to the
8 50 candidate from the fund. If the board makes a finding
9 1 that a violation of this subchapter or rules of the
9 2 board has occurred, the board shall assess a civil
9 3 penalty or transmit the finding to the attorney
9 4 general for prosecution. Civil penalties paid under
9 5 this section shall be deposited in the fund. In
9 6 determining whether or not a candidate is in violation
9 7 of the expenditure limits of this subchapter, the
9 8 board may consider as a mitigating factor any
9 9 circumstances out of the candidate's control.

9 10 2. CRIMINAL PENALTY. A person who willfully or
9 11 knowingly violates this subchapter or rules of the
9 12 board or who willfully or knowingly makes a false
9 13 statement in any report required by this subchapter
9 14 commits a simple misdemeanor and, if certified as an
9 15 Iowa clean election Act candidate, must return to the
9 16 fund all moneys distributed to the candidate.

9 17 Sec. _____. NEW SECTION. 68A.807 STUDY REPORT.
9 18 By January 30, 2008, and every four years after
9 19 that date, the board shall prepare for submission to
9 20 the general assembly a report documenting, evaluating,
9 21 and making recommendations relating to the
9 22 administration and enforcement of this subchapter.

9 23 Sec. _____. NEW SECTION. 422.12G INCOME TAX
9 24 CHECKOFF FOR THE IOWA CLEAN ELECTION FUND.

9 25 1. A person who files an individual or a joint
9 26 income tax return with the department of revenue under
9 27 section 422.13 may designate one dollar or more to be
9 28 paid to the Iowa clean election fund as established in
9 29 section 68A.803. If the refund due on the return or
9 30 the payment remitted with the return is insufficient
9 31 to pay the additional amount designated by the
9 32 taxpayer to the Iowa clean election fund, the amount
9 33 designated shall be reduced to the remaining amount of
9 34 the refund or the remaining amount remitted with the
9 35 return. The designation of a contribution to the Iowa
9 36 clean election fund under this section is irrevocable.

9 37 2. The director of revenue shall draft the income
9 38 tax form to allow the designation of contributions to
9 39 the Iowa clean election fund on the tax return. The
9 40 department of revenue, on or before January 31, shall
9 41 certify the total amount designated on the tax return
9 42 forms due in the preceding calendar year and shall
9 43 report the amount to the treasurer of state. The
9 44 treasurer of state shall credit the amount to the Iowa
9 45 clean election fund. However, before a checkoff
9 46 pursuant to this section shall be permitted, all
9 47 liabilities on the books of the department of revenue
9 48 and accounts identified as owing under section 421.17
9 49 and the political contribution allowed under section
9 50 68A.601 shall be satisfied.

10 1 3. The income tax checkoff for the Iowa clean
10 2 election fund is not subject to the provisions of
10 3 section 422.12E.

10 4 4. The department of revenue shall adopt rules to
10 5 administer this section.

10 6 Sec. _____. EFFECTIVE DATE AND RETROACTIVE
10 7 APPLICABILITY.

10 8 1. Except as provided in subsection 2, the
10 9 sections of this Act enacting sections 68A.801 through
10 10 68A.807 take effect July 1, 2005, and apply to
10 11 candidates in elections to be held beginning in the
10 12 year 2006.

10 13 2. The section of this Act enacting section
10 14 422.12G, being deemed of immediate importance, takes
10 15 effect upon enactment and applies retroactively for
10 16 tax years beginning on or after January 1, 2005.>

10 17 #2. Title page, line 1, by inserting after the
10 18 word <finance> the following: <, clean election
10 19 funding,>.

10 20 #3. Title page, line 3, by inserting after the
10 21 word <resources> the following: <, and providing
10 22 effective and retroactive applicability dates>.

10 23 #4. By renumbering as necessary.

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